

Impact of Project, Task, and Award Establishment on Accounts Receivable

Purpose

The purpose of this document is to describe the impact of project, task, and award information entered in the Grants Management (GM) module of the RF business applications on the Accounts Receivable (AR) module. This information impacts the generation and aging of AR invoices, data produced on the invoice, follow up actions, and reporting to the sponsor.

Background

Accuracy of information entered in Grants Management is critical to AR invoicing. Billing information entered affects the success and timing of invoice generation.

Roles and Responsibilities

A comprehensive review of all new awards should be done by the appropriate staff to ensure proper coding based on grant or contract terms.

In addition, it is recommended that AR staff review all new awards to ensure information impacting invoicing, collection, reporting and indirect cost calculation has been entered correctly.

Award Management Form

The following table lists the fields from the Award Management form that are data sources for AR with a brief description of the impact.

Field	Impact
Award Status	Status on the award must be "Active" or "On-Hold" for invoices to generate. Note: An award status of "At-Risk" cannot be invoiced until the status is changed to "Active."
Close Date	Close date on the award and all active installments must be a date in the future in order for unbilled items to process to the invoice. The close date is the last effective date for transaction and invoice processing.
Funding Source Award Number	Number used by the sponsor to identify the award. This information prints on the AR invoice. Discrepancies or incomplete numbers may cause identification problems by the sponsor resulting in payment

	delays.
Funding Source Name	Name of sponsor awarding funds. Important! Awards with incorrect sponsors will need to be rescinded.
Hard Limit Flag	Prevents invoicing and revenue generation over the funded amount for an individual installment. Although the Hard limit is a flag set on the award, the limit is installment specific. Therefore, the limit is based on the project and/or task funding established for each active installment. If funding for the same project and/or task exists across multiple installments it does not use the total funding of all installments as the hard limit. When flagged, invoicing and revenue will be limited to each installment's funded amount. Important! The hard limit functionality is only recommended for use on Letter of Credit (LOC) awards, which have additional monitoring by the Finance Office at central office. If the Hard Limit box is checked on an award other than LOC, uncheck the box in the Award Management form.
Start and End Date	All start and end dates of active installments must be the same as the start and end dates of the award to ensure revenue and invoicing runs correctly on the award.
DESCRIPTIVE FLEXFIELD (DFF)	
IDC Cal Period	Determines at what interval the indirect cost rate will apply to expenditures; Start Date to Date, Current Month or no IDC. Important! Entry in the IDC Calc Period on the Task will take precedence over the entry on the award.
Invoice Certification	Statement certifying that the expenditures on the invoice are correct. Note: If a certification in the list of values does not meet sponsor requirements, one can be created. For more information, refer to the Create, Change, or Add an Invoice Certification process help.
Override Rate	Identifies the indirect cost rate; the percentage charged to each direct cost expenditure included in the burden schedule on the award. Burden schedules and rates established on the award and/or task affect the calculation of indirect costs which may lead to incorrect data on the invoice causing invoicing delays.
INSTALLMENTS	
Close Date	Close date on the award and all active installments must be a date in the future in order for unbilled items to process to the invoice. The close date is the last effective date for transaction and invoice processing.
Start and End Date	All start and end dates of active installments must be the same as the start and end dates of the award to ensure revenue and invoicing runs correctly on the award.
CUSTOMER ADDRESS	
Bill To address	Address to send invoice to. Discrepancies in the "Bill To" address can delay payment of invoices. Note: Address information can be changed by choosing the correct address from the list of values. If the address required does not exist, send a request to: CustomerFile@rfsuny.org .

CONTACTS

Contact information	Name and telephone number of party at the sponsoring agency responsible for award administration and/or payment information. Discrepancies in "Contact" information may impede follow up and payment of invoices.
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PERSONNEL

Award Manager	Person responsible for the overall administration and management of the award. There must be a valid award manager set up on the award for an AR invoice to generate. The following conditions apply: (a) Start date of employee who is the award manager must be earlier or the same as the start date of the award, and (b) Employee is in an "active" status in the Human Resources (HR) module.
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COMPLIANCES

Billing Cycle	Defines "when" an invoice is required by the sponsor. This field indicates the frequency of invoice production. For more information, refer to the Oracle Field Definition: Billing Cycle
Billing Distribution Rule	Defines "how" invoices will be generated either based on actual costs incurred or a fixed sum. Note: If necessary, the billing distribution rule can be changed after a draft invoice has been released. For more information, refer to the Oracle Field Definition: Billing Distribution Rule.
Billing Format	Defines invoice print options. Note: This information can be changed at anytime. For more information, refer to the Oracle Field Definition: Billing Format.
First Billing Offset Days	Determines the number of days between the award start date and the generation of the first invoice. This field must have a value. For more information, refer to the procedure and guidance document: First Billing Offset Days – Functionality and Use .
Burden Schedule	Establishes the burden multipliers and bases used to calculate the indirect cost (IDC) for each expenditure item charged. Burden schedules and rates established on the award and/or task affect the calculation of indirect costs which may lead to incorrect data on the invoice causing invoicing delays. For more information, refer to the Oracle Field Definition: Burden Schedule.
Terms	Based on sponsor requirements, determines the invoice due date and when the aging of the invoice will begin. For more information, refer to the Oracle Field Definition: Terms (GM.)

REPORTS

Reports	All technical and financial reports should be entered based on the sponsor terms and conditions. Incorrect due dates or incomplete entries of financial and technical reports can produce inaccurate data on follow up reports and prevent timely follow up from being completed. Important! Non-submission or late submission of reports is one reason
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for nonpayment by a sponsor. Accuracy in data is important to ensure reports are submitted and follow up actions taken.

Note: On awards with multiple installments, it is important to enter reports on the first installment only. This eliminates the need to enter completion dates on all installments.

Project and Task Forms

The following table lists the fields from the Project and Task forms that are data sources for AR with a brief description of the impact.

Name	Impact
Project Status	A project must have a status of "Approved" or "Pending Close" to for invoices to generate.
DESCRIPTIVE FLEXFIELD (DFF)	
IDC Cal Period	Determines at what interval the indirect cost rate will apply to expenditures; Start Date to Date, Current Month or no IDC. Important! Entry in the IDC Calc Period on the Task will take precedence over the entry on the award.
Rate Override	A "rate override" on a task will take precedence over the indirect cost rate that is on the award for that Task only. Burden schedules and rates established on the award and/or task affect the calculation of indirect costs which may lead to incorrect data on the invoice causing invoicing delays. Important! The indirect cost rate that prints on the invoice will be from the award level not the task level. Indirect costs should calculate correctly on the invoice, but will not be related to the percentage on the invoice if there is an override at the task level.
Structure Override	"Structure override" is an override of the indirect cost structure (burden schedule) on the award (e.g., TDC Zero). Burden schedules and rates established on the award and/or task affect the calculation of indirect costs which may lead to incorrect data on the invoice causing invoicing delays.

Award Budget

The following table lists the requirements from the Award Budget form with a brief description of the impact.

Form	Impact
Award Budget	A project, task, award combination must have a baselined budget established for at least \$1.00 in order for revenue and invoicing to generate.

New Award Review

All new awards should be reviewed within a timely manner to identify and address error.

The following reports should be run after the establishment of each new award, and then

reviewed and initialed by the person who established the award. A second review of all new awards should be performed by the appropriate staff and the documents counter initialed.

- [RF Award Information Abstract](#) - displays administrative information (terms and conditions and notes) and budget information for an award.
- [RF Award Billing Information Report](#) - displays information pertaining to invoicing, terms & conditions, references, and other general information about the award.

In addition, the following tools may be used by AR staff:

- [RF Award Booked Date Report](#) - provides a listing of awards that have a status of "Active" (booked) and the booked amount (total of all installments listed.) This report should be used to ensure that all awards have been received by AR for a billing information review.
Recommended Frequency: Run monthly; at the beginning of the month.
- New Award Billing Information Review Form ([PDF](#)) ([Word](#))- used as a checklist to review information pertinent to AR on new awards.

Change History

- **February 6, 2006** - Updated to remove requirement for baselining project budgets.
- **June 3, 2005** - Revisions to Hard Limit Flag information and add "Note" to Billing Distribution Rule.
- **March 23, 2005** - New Document.

Feedback

Was this document clear and easy to follow? Please send your feedback to webfeedback@rfsuny.org.

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